

bachelor's degree and master's degree from the Massachusetts Institute of Technology. He was also an accomplished pianist who studied at the New England Conservatory of Music in Boston and recorded albums with the noted Puerto Rican pianist Jesus Maria Sanroma.

In 1925 he began his business career at the Puerto Rico Iron Works. In 1940 he moved to the Puerto Rican Cement Company, and by 1960 he was the vice chairman of the company.

In 1937 he founded the Ponce Public Library, and in 1940 he ran for mayor of Ponce. In 1950 he founded the Luis A. Ferré Foundation, which resulted in the creation of the Ponce Museum of Art, considered to be one of the most important museums in the world. The museum was designed by Edward Durrell Stone, who also designed the John F. Kennedy Center here in Washington, D.C.

In 1968 Luis A. Ferré was elected Governor under the New Progressive Party banner and served until 1972. While Governor, he provided many benefits to workers, including shorter work weeks and maternity leave. He provided ownership of land, strengthened the industrial development program, and made possible the applicability of the food stamp program for Puerto Ricans.

In 1977 until 1980, he served as president of the senate. He also served as State chairman and national committeeman of the Republican Party in Puerto Rico. In 1991 he was awarded the Presidential Medal of Liberty.

Ferré was known as an intellectual, a lover of the arts, a brilliant politician, and generous benefactor. This designation is a most fitting tribute to his illustrious career.

I support S. 2017 and urge its passage.

Mr. ACEVEDO-VILA. Mr. Speaker, I rise today in strong support of S. 2017, the Luis A. Ferré United States Courthouse and Post Office Act. I introduced a counterpart bill, H.R. 3742, which was unanimously approved by the House Transportation and Infrastructure Committee. I wholeheartedly thank Senator SANTORUM for introducing S. 2017, and Chairman YOUNG and Congressman OBERSTAR for their leadership in shepherding this bill through their committee.

I ask for my colleagues' support of this bill, which honors the life and legacy of Luis A. Ferré, by designating the U.S. Courthouse and Post Office building located at 93 Atocha Street in his hometown of Ponce, Puerto Rico, as the "Luis A. Ferré United States Courthouse and Post Office Building".

Luis Ferré passed away on October 21, 2003, at the age of 99, after an exemplary life of statesmanship, political leadership, entrepreneurship, advocacy for social justice, and patronage for the arts.

Mr. Ferré was born on February 17, 1904, in Ponce, Puerto Rico, the son of Antonio Ferré Bacallao and Mary Aguayo Casals. He graduated in 1924 with a degree in Engineering from the Massachusetts Institute of Technology, where he was later appointed to the Board of Trustees. He entered his professional life in 1925, working for Puerto Rico Iron

Works and, subsequently, for Puerto Rican Cement, both family companies that were part of the Ferré Enterprises.

Mr. Ferré ran for public office for the first time in 1940, as a mayoral candidate for the city of Ponce. He was a member of the Constitutional Convention of the Commonwealth of Puerto Rico. He was elected to the Puerto Rico House of Representatives and ran for Governor of Puerto Rico as the Republican Statehood candidate in 1956, 1960, and 1964. In 1967, he founded the New Progressive Party, and was elected Governor in 1968, a position he held from 1969 to 1972. As Governor, some of his key initiatives were the creation of a Christmas bonus for private and public employees, the construction of Las Americas Highway, the right to vote for all citizens from age 18, and the Food Stamp Program.

He was also President of the Puerto Rico Senate from 1977 to 1980, and continued serving as Senator from 1981 to 1984. Mr. Ferré acted as President of the National Republican Party in Puerto Rico for over 4 decades.

Besides his interest in the industrial development of the Island and his involvement in the public life of Puerto Rico, he was known for his support and dedication to the arts, which led him to open the Ponce Museum of Art, considered as one of the most important museums in Latin America. A Puerto Rico bill presented in 1980 allowed the creation of the Performing Arts Center in San Juan, which now bears his name.

Among his many recognitions and decorations, he received the Presidential Medal of Freedom, the highest distinction awarded to a civilian by the Government of the United States. He has also been honored by numerous institutions in Puerto Rico, New York, Wisconsin, Florida, and several other States, as well as by the Dominican Republic. During his long life, he received around 15 "honoris causa" doctorates from the University of Puerto Rico, the Inter American University of Puerto Rico, among others, as well as from the Boston Conservatory of Music, Amherst College, Harvard University, and Florida International University.

He served as a member of the board of directors of several institutions, including the Hospital de Damas de Ponce, the Pontifical Catholic University of Puerto Rico, and the Luis A. Ferré Foundation.

In October 2002, the Smithsonian Institution's Woodrow Wilson International Center in Washington, DC, presented Mr. Ferré with its Award for Public Service.

Mr. Speaker, this designation will serve as a memorial to the exemplary legacy of Luis Ferré. I urge my colleagues to support the Luis A. Ferré United States Courthouse and Post Office Act, and in so doing to honor the life and legacy of Luis A. Ferré.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LATOURETTE. Mr. Speaker, I urge passage of this legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. LATOURETTE) that the House suspend

the rules and pass the Senate bill, S. 2017.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on S. 2017 and H. Con. Res. 56, the measures just considered by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

#### CAPE TOWN TREATY IMPLEMENTATION ACT OF 2004

Mr. MICA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4226) to amend title 49, United States Code, to make certain conforming changes to provisions governing the registration of aircraft and the recordation of instruments in order to implement the Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, known as the "Cape Town Treaty," as amended.

The Clerk read as follows:

H.R. 4226

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

*This Act may be cited as "Cape Town Treaty Implementation Act of 2004".*

#### SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) The Cape Town Treaty (as defined in section 44113 of title 49, United States Code) extends modern commercial laws for the sale, finance, and lease of aircraft and aircraft engines to the international arena in a manner consistent with United States law and practice.

(2) The Cape Town Treaty provides for internationally established and recognized financing and leasing rights that will provide greater security and commercial predictability in connection with the financing and leasing of highly mobile assets, such as aircraft and aircraft engines.

(3) The legal and financing framework of the Cape Town Treaty will provide substantial economic benefits to the aviation and aerospace sectors, including the promotion of exports, and will facilitate the acquisition of newer, safer aircraft around the world.

(4) Only technical changes to United States law and regulations are required since the asset-based financing and leasing concepts embodied in the Cape Town Treaty are already reflected in the United States in the Uniform Commercial Code.

(5) The new electronic registry system established under the Cape Town Treaty will work in tandem with current aircraft document recordation systems of the Federal Aviation Administration, which have served United States industry well.

(6) The United States Government was a leader in the development of the Cape Town Treaty.

(b) **PURPOSE.**—Accordingly, the purpose of this Act is to provide for the implementation of the Cape Town Treaty in the United States by making certain technical amendments to the provisions of chapter 441 of title 49, United States Code, directing the Federal Aviation Administration to complete the necessary rule-making processes as expeditiously as possible, and clarifying the applicability of the Treaty during the rulemaking process.

### SEC. 3. RECORDATION OF SECURITY INSTRUMENTS.

(a) **ESTABLISHMENT OF SYSTEM.**—Section 44107(a) of title 49, United States Code, is amended—

(1) in paragraph (2)(A) by striking “750” and inserting “550”; and

(2) in paragraph (3) by striking “clause (1) or (2) of this subsection” and inserting “paragraph (1) or (2)”.

(b) **INTERNATIONAL REGISTRY.**—Section 44107 of such title is amended by adding at the end the following:

“(e) **INTERNATIONAL REGISTRY.**—

“(1) **DESIGNATION OF UNITED STATES ENTRY POINT.**—As permitted under the Cape Town Treaty, the Federal Aviation Administration Civil Aviation Registry is designated as the United States Entry Point to the International Registry relating to—

“(A) civil aircraft of the United States;

“(B) an aircraft for which a United States identification number has been assigned but only with regard to a notice filed under paragraph (2); and

“(C) aircraft engines.

“(2) **SYSTEM FOR FILING NOTICE OF PROSPECTIVE INTERESTS.**—

“(A) **ESTABLISHMENT.**—The Administrator shall establish a system for filing notices of prospective assignments and prospective international interests in, and prospective sales of, aircraft or aircraft engines described in paragraph (1) under the Cape Town Treaty.

“(B) **MAINTENANCE OF VALIDITY.**—A filing of a notice of prospective assignment, interest, or sale under this paragraph and the registration with the International Registry relating to such assignment, interest, or sale shall not be valid after the 60th day following the date of the filing unless documents eligible for recording under subsection (a) relating to such notice are filed for recordation on or before such 60th day.

“(3) **AUTHORIZATION FOR REGISTRATION OF AIRCRAFT.**—A registration with the International Registry relating to an aircraft described in paragraph (1) (other than subparagraph (C)) is valid only if (A) the person seeking the registration first files documents eligible for recording under subsection (a) and relating to the registration with the United States Entry Point, and (B) the United States Entry Point authorizes the registration.”.

### SEC. 4. REGULATIONS.

(a) **IN GENERAL.**—The Administrator of the Federal Aviation Administration shall issue regulations necessary to carry out this Act, including any amendments made by this Act.

(b) **CONTENTS OF REGULATIONS.**—Regulations to be issued under this Act shall specify, at a minimum, the requirements for—

(1) the registration of aircraft previously registered in a country in which the Cape Town Treaty is in effect; and

(2) the cancellation of registration of a civil aircraft of the United States based on a request made in accordance with the Cape Town Treaty.

(c) **EXPEDITED RULEMAKING PROCESS.**—

(1) **FINAL RULE.**—The Administrator shall issue regulations under this section by publishing a final rule by December 31, 2004.

(2) **EFFECTIVE DATE.**—The final rule shall not be effective before the date the Cape Town Treaty enters into force with respect to the United States.

(3) **ECONOMIC ANALYSIS.**—The Administrator shall not be required to prepare an economic analysis of the cost and benefits of the final rule.

(d) **APPLICABILITY OF TREATY.**—Notwithstanding parts 47.37(a)(3)(ii) and 47.47(a)(2) of title 14, of the Code of Federal Regulations, Articles IX(5) and XIII of the Cape Town Treaty shall apply to the matters described in subsection (b) until the earlier of the effective date of the final rule under this section or December 31, 2004.

### SEC. 5. LIMITATION ON VALIDITY OF CONVEYANCES, LEASES, AND SECURITY INSTRUMENTS.

Section 44108(c)(2) of title 49, United States Code, is amended by striking the period at the end and inserting “or the Cape Town Treaty, as applicable.”.

### SEC. 6. DEFINITIONS.

(a) **IN GENERAL.**—Chapter 441 of title 49, United States Code, is amended by adding at the end the following:

#### “§ 44113. Definitions

“In this chapter, the following definitions apply:

“(1) **CAPE TOWN TREATY.**—The term ‘Cape Town Treaty’ means the Convention on International Interests in Mobile Equipment, as modified by the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, signed at Rome on May 9, 2003.

“(2) **UNITED STATES ENTRY POINT.**—The term ‘United States Entry Point’ means the Federal Aviation Administration Civil Aviation Registry.

“(3) **INTERNATIONAL REGISTRY.**—The term ‘International Registry’ means the registry established under the Cape Town Treaty.”.

(b) **CONFORMING AMENDMENT.**—The analysis for such chapter is amended by adding at the end the following:

“44113. Definitions.”.

### SEC. 7. EFFECTIVE DATE AND PRESERVATION OF PRIOR RIGHTS.

This Act, including any amendments made by this Act, shall take effect on the date the Cape Town Treaty (as defined in section 44113 of title 49, United States Code) enters into force with respect to the United States and shall not apply to any registration or recordation that was made before such effective date under chapter 441 of such title or any legal rights relating to such registration or recordation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. MICA) and the gentleman from California (Ms. MILLENDER-MCDONALD) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. MICA).

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Cape Town Treaty was signed by the United States on May 9, 2003, and referred to the United States Senate for ratification at the end of that year. The Senate will most likely consider ratification of the treaty in the next month or so.

Now, this action by the House today of course will not approve the Cape Town Treaty. That responsibility does lie with the other body. However, this bill takes an action to conform United States law for proper implementation of that treaty, and that is why this action today is important.

The Cape Town Treaty is vital to international commerce. It will bring the uniformity of modern commercial finance laws, already in place in the

United States, to international transactions involving aircraft and also aircraft engines.

This uniformity will both greatly reduce the risks associated with aircraft and engine sales abroad, and it will also help to bring improved and newer aircraft, it will help bring them to many areas of the world that desperately need them.

The job of the Subcommittee on Aviation since I have become chairman and, even more importantly, since September 11, 2001, is to aid this industry that has been ailing. If we look at what happened since September 11, many folks refer to some 3 million jobs lost in this industry, and I can almost stand here with certainty and guarantee that half of those 3 million jobs, 1.5 million were directly related to the aviation industry. This bill is one more step in helping to revitalize that shaky industry that we have seen since September 11.

The Cape Town Treaty seeks to establish an international registry where parties having an interest in aircraft or in aircraft engine can register that interest at an international level to ensure that they remain protected.

The treaty enjoys strong bipartisan support and is also supported by the U.S. aviation industry, as well as our key government Departments, including our State Department, Department of Transportation, and Department of Commerce.

In order to fully implement the treaty and its accompanying protocol, the administration has proposed to allow the Federal Aviation Administration's Civil Aviation Registry to be the United States' so-called “entry point” to the international registry for relevant actions. This is a minor, but important, change in United States law, because it will ensure that upon ratification, the Cape Town Treaty and its aircraft protocol can be fully implemented. That is exactly what H.R. 4226, the Cape Town Treaty Implementation Act, proposes to do.

This is important legislation, again, that will help an industry that is still recovering from the tragic events of September 11.

In closing, I would like to thank Ambassador Ed Stimpson. Ed Stimpson is the ambassador to ICAO, which is the International Civil Aviation Organization. That international headquarters is located in Montreal, and Ed Stimpson does a great job in representing United States aviation interests on that international body. So I wish to thank him for bringing the need to implement this needed legislation before the House of Representatives and also his leadership in trying to help revitalize our industry, both that produces large aircraft and also that produces aircraft engines. So again, I say thank you to Ed Stimpson, our ambassador, for his leadership on this issue.

I also join with the full committee chairman, the gentleman from Alaska

(Mr. YOUNG); the ranking member, the gentleman from Minnesota (Mr. OBERSTAR); and the Subcommittee on Aviation ranking member, the gentleman from Oregon (Mr. DEFAZIO), in urging immediate passage of this bipartisan bill.

Mr. Speaker, I reserve the balance of my time.

Ms. MILLENDER-McDONALD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4226, the Cape Town Treaty Implementation Act of 2004.

The Cape Town Convention and related protocol on aircraft equipment known collectively as the Cape Town Treaty will extend modern commercial finance laws already used in the United States to international transactions involving aircraft and aircraft engines.

Lenders have been reluctant or are charging more to extend financing for the sale of aircraft or aircraft engines to foreign entities, particularly in developing countries, because certain countries do not recognize the right of a lender with a priority interest in an asset to repossess or otherwise dispose of it if the owner defaults on a loan. The Cape Town Treaty, when ratified, is expected to lower their financial risks and therefore the costs of such financing and bring certainty to the marketplace, thereby increasing sales in aircraft frames and engines abroad.

Importantly, the Cape Town Treaty creates an international registry in which persons with secured credit or leasing interest in highly mobile assets such as aircraft and engines will be able to put other potential lenders on notice of their interest in a particular asset.

□ 1130

Priority in an asset will be based on a first in time filing with the international registry. The filing of a notice of a security interest in the international registry will also facilitate a secured creditor's ability to repossess, sell, or lease a piece of equipment in the event of a default under the remedies provided by the treaty.

H.R. 4226 makes technical changes to section 44107 of title 49 governing the recordation of security interests with the Federal Aviation Administration, including designating the FAA's civil aircraft registry to be the U.S. entry point to the International Registry. This will enable the FAA to authorize filings with the International Registry related to U.S. registered aircrafts, aircraft engines, and aircraft that have received a U.S. identification number or to prospective interests in such aircraft or engines.

Filings to the International Registry would be valid only if the creditor first files with the FAA full documentation of the security interest as currently required by U.S. law and the FAA authorizes the transmittal of the filing of the notice of the secured interest to the International Registry. Also direct-

ing the FAA to immediately proscribe regulations for the registration and deregistration of aircraft and to complete the rulemaking process by December 31, 2004.

H.R. 4226 also provides that, if necessary, the provisions of the Cape Town Treaty shall apply to the registration and deregistration of aircraft until the FAA regulations are effective or by December 31, 2004, whichever occurs earlier.

In addition, H.R. 4226 states that the amendments to Title 49 made by this bill and any related regulations are effective upon the Cape Town Treaty's coming into force and do not apply to any prior registration or recordation.

To put this in a local perspective, Mr. Speaker, in my district we manufacture aircrafts and this bill opens up markets that have historically been problematic. This treaty brings uniformity to bankruptcy and commercial finance laws by extending current U.S. finance laws to international transactions involving aircrafts and aircraft engines. It lowers the risk to financial lenders and manufacturers alike to engage in new markets. To put it simply, passage of the Cape Town Treaty will help American companies compete in foreign markets. It puts manufacturers in the situation to compete for foreign contracts.

For example, the Boeing 717 built in my district of Long Beach, California, would benefit from the leasing requirements negotiated in this treaty. This translates into jobs and economic activity locally. The Boeing 717 plant in Long Beach employs 3,000 men and women and the plant also contracts with 320 suppliers. Currently, the 717 plant produces one plane a month. I have been told, however, that this plant is capable of producing 60 planes a year. If the 717 plant were to double their production to 24 planes a year, that would translate to upwards of 400 jobs created in Long Beach.

I thank the gentleman from Alaska (Mr. YOUNG) and the ranking member, the gentleman from Minnesota, Mr. OBERSTAR for their strong leadership on this issue, the chairman of the subcommittee, the gentleman from Florida (Mr. MICA), and the ranking member the gentleman from Oregon (Mr. DEFAZIO) for their leadership.

I urge all of my colleagues to support this resolution.

Mr. Speaker, I do not have other speakers, and I yield back the balance of my time.

Mr. MICA. Mr. Speaker, I yield myself the balance of my time to close.

Mr. Speaker and my colleagues, again I ask your support in the passage today of H.R. 4226 as amended. As you heard, this is an implementation technical bill that will implement provisions of the Cape Town Treaty. As you heard in my previous comment and the comments of the gentlewoman from California, this legislation will, in fact, aid our aviation industry which has been, again, so hard hit during the past 2½ years.

This will not only create jobs in Long Beach, California, but Washington and dozens of other States that produce major aircraft in the United States and also assist us to sell engines which are produced in the United States, I believe in Ohio, but not only from Ohio will there be a good results from the implementation of this treaty, but across the United States where additional parts are produced. So it aids manufacturing, it aids the job creation.

And we urge also the other body to act expeditiously in the passage of this legislation so that the full benefits in effect of the Cape Town Treaty when fully implemented can be realized.

So, again, I urge adoption of H.R. 4226.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAVES). The question is on the motion offered by the gentleman from Florida (Mr. MICA) that the House suspend the rules and pass the bill, H.R. 4226, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4226, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

#### WORKING FAMILIES ASSISTANCE ACT OF 2004

Mr. CANTOR. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4372) to amend the Internal Revenue Code of 1986 to provide for the carryforward of \$500 of unused benefits in cafeteria plans and flexible spending arrangements for dependent care assistance.

The Clerk read as follows:

H.R. 4372

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Working Families Assistance Act of 2004".

#### SEC. 2. CARRYFORWARD OF UNUSED BENEFITS IN CAFETERIA PLANS AND FLEXIBLE SPENDING ARRANGEMENTS FOR DEPENDENT CARE ASSISTANCE.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

“(h) CARRYFORWARD OF CERTAIN UNUSED BENEFITS FOR DEPENDENT CARE.—

“(1) IN GENERAL.—For purposes of this title, a plan or other arrangement shall not